VZCZCXRO7429 RR RUEHCHI RUEHCN RUEHHM DE RUEHDT #0079/01 0711134 ZNR UUUUU ZZH R 121134Z MAR 09 FM AMEMBASSY DILI TO RUEHC/SECSTATE WASHDC 4323 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS RHMFIUU/CDR USPACOM HONOLULU HI RUEHLMC/MILLENNIUM CHALLENGE CORP RUEHWL/AMEMBASSY WELLINGTON 0992 RUEHBY/AMEMBASSY CANBERRA 1266 RUEHLI/AMEMBASSY LISBON 1107 RUEHKO/AMEMBASSY TOKYO 0933 RUCNDT/USMISSION USUN NEW YORK 1104 RUEHDT/AMEMBASSY DILI 3841

UNCLAS SECTION 01 OF 03 DILI 000079

SENSITIVE SIPDIS

STATE FOR EAP/MTS PACOM FOR POLADS

E.O. 12958: N/A TAGS: <u>PGOV KDEM TT</u>

SUBJECT: TIMOR-LESTE'S LOCAL AND MUNICIPAL ELECTION LAWS MOVE

FORWARD

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11. (SBU) Summary. On Monday, March 2, Timor-Leste's Council of Ministers submitted two draft laws for Municipal and Suco (Village) elections to the National Parliament's Commission A (Constitutional Issues, Justice, Public Administration, Local Power and Government Legislation). The Commission will soon begin a series of public consultations, and following their conclusion will submit the laws along with a report to a plenary session of Parliament for debate. The process will likely take over a month. There are serious differences are expected to be debated between the governing Alliance for a Parliamentary Majority (AMP) parties and the opposition FRETILIN party over the exclusion of political party platforms from Suco draft election law, which FRETILIN opposes. Both sides cite provisions of the Constitution in support of their positions. In fact, the Constitution sheds little light. Municipal and Suco election dates are not yet scheduled, but are expected to be held between July and September 2009. End summary.

Transition to Municipal Government Structure

12. (SBU) Under the new legislation, Dili's 13 Districts would acquire new budgetary authority as Municipalities along the Portuguese model. Under the current system, the Ministry of State Administration in Dili appoints District Administrators. The new law provides for direct election of a municipality chief (Presidente de Camara, equivalent to a mayor). Members of a newly created Municipal Council (Conselho Municipal, the equivalent of a city council) will be elected from party lists by a proportional representation system. If Parliament passes the law in its present form, municipal elections will be held this year in four of Timor-Leste's thirteen districts: Dili, Baucau, Bononaro and Oecussi. During meetings with Poloff on March 4, National Elections Commission (CNE) director Faustino Cardoso and Technical Secretariat for Elections Support (STAE) director Tomas Cabral referred to these municipal elections as a "pilot project" to be followed in the remaining nine districts in 2010-11.

- 13. (SBU) In contrast to municipal elections, the Suco (village) draft election law provides for elections to be held this year throughout all 442 Sucos, encompassing 2,337 small communities in Timor-Leste. (Note: "Village" is the generally accepted translation for the Timorese term suco. In fact, a suco usually consists of a cluster of small settlements.) The current leadership mandate at the Suco levels will expire in September 2009, hence the timeline for the elections. The Suco elections of 2004 -05 and were held in phases that took place over the course of almost one year, and were party based. Political parties participated in these elections. There was no violence reported during that period, and they were the first Timorese-organized elections since the nation's independence. (The first elections in 2002 were organized by the United Nations).
- 14. (SBU) STAE director Cabral explained that the draft law seeks to build on traditional community leadership structures. In each suco, voters would choose between non-partisan slates. Each slate would be led by a chefe de suco candidate, and would contain as running mates hamlet (aldeia) leaders, two youth representatives, two women's representatives, and one elder. This candidate slate arrangement was devised, Cabral said, in order to eliminate the potential for conflicts among individually elected suco and aldeia leaders.

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15. (SBU) Unlike in 2004 and 2005, the Suco draft laws propose to carry this year's elections on one single day, not in phases. STAE director Tomas Cabral acknowledged that logistics for carrying out the Suco elections would be burdensome. He further noted the challenge posed by sending ballots, materials, administrators, and observers to all villages for a single day of voting, but said that he remained positive that these challenges will be overcome. CNE director Faustino Cardoso also acknowledged these challenges, but said he remained optimistic that political differences would be resolved, and that the draft laws would be approved by the National Parliament and ratified by President Jose Ramos-Horta in time to hold elections before September.

United Nations Lays Out Challenges

16. (SBU) During a meeting with Poloff on February 27, United Nations Electoral Support Team in Timor-Leste (UNEST) Chief Technical Advisor Andres del Castillo reported that "great conflict on political party issues" has emerged between the AMP and FRETILIN, which disagree on the Suco bill's provision that candidates may not represent political parties. Del Castillo noted both sides maintain that definitions of community and local powers under articles 7, 46 and 72 of the Constitution support their position. He described the Constitution as vague and "open to interpretation for political purposes," adding that "in fact, it provides no clarity or answers."

of political parties and the definition of "local government." For instance, Article 7, "Universal Suffrage and Multi-Party System," notes that "the state shall value the contributions of political parties for the organized expression of the popular will and for the democratic participation of the citizen in the governance of the country." Article 46, "Right to Political Participation," notes that "every citizen has the right to establish and to participate in political parties;" and "the establishment and organization of political parties shall be regulated by law." Article 72, "Local Government," states that "local government is constituted by corporate bodies vested with representative organs, with the objective of organizing the participation by citizens in solving the problems of their own community and promoting local development without prejudice to the participation by the State;" and "the organization, competence, functioning, and composition of the organs of local government shall be defined by law."

18. (SBU) UNEST's Del Castillo underscored that political differences hinge on the AMP government's intention to "depoliticize" Suco elections by recognizing these as "community powers," which do not meet the Constitution's definition of "local government" and therefore are not obliged to accomodate political parties. FRETILIN argues that the sucos are local governments and that the Constituion's affirmation of political parties therefore requires recognition of candidates, slates, and platforms affiliated with political parties. Del Castillo noted that since FRETILIN is the only political party with grassroots organizations throughout the districts, depoliticizing Suco elections may be a tactic by the AMP coalition parties to avoid "a popular perception" of FRETILIN support. For his part, CNE director Faustino Cardoso argued for political party inclusion in the Suco elections.

AMP - FRETILIN Perspectives
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19. (SBU) During meetings with Poloff on February 26 (SBU), Members of Parliament Aderito Hugo da Costa (National Congress for Timorese Reconstruction - CNRT), and Mario Carrascalao (Social Democratic Party - PSD) described both draft election laws as the most important legislation pending before Parliament, and stated that taken together the laws constitute a framework for decentralization of authority. With respect to the municipalities law, the AMP government plans to empower local governments with budgetary authority. Under decentralization, Sucos will be able to propose programs to be funded by municipalities and sub-municipalities through their own budgets rather than from the central government in Dili. Da Costa and Carrascalao confirmed that the AMP is pushing for the laws to "depoliticize" Suco elections by not permitting party platforms.

110. (SBU) During a meeting with Poloff on March 6, FRETILIN MP Ana Pessoa stated that the greatest challenge to implementing decentralization at the municipal government level will be capacity building and training for local governments to handle and execute local budgets competently. She agreed with holding municipal elections in four districts this year "to test" how successful these systems are implemented before adopting them in other districts. With regards to Suco elections, she warned of the logistical difficulty of holding these throughout all Sucos in one day. FRETILIN MP Jose Teixeira told us that any plans by

the AMP to eliminate party platforms from these Suco elections would be unconstitutional and the party will fiercely oppose this during plenary sessions.

Comment

111. (SBU) In spite of the political and logistical challenges, all political observers agreed on the urgency of holding the elections prior to September 2009 when the current leadership mandates at the Suco levels expire. All concurred with holding municipal elections only in four districts this year as a "pilot program" prior to further municipal elections in the remaining nine districts in 2010 and 2011.